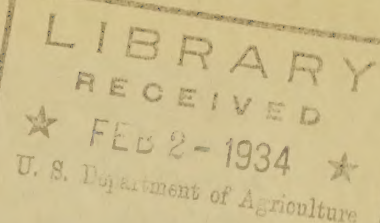


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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



WHAT THE CONSUMERS' COUNSEL OF THE AGRICULTURAL
ADJUSTMENT ADMINISTRATION HAS ACCOMPLISHED.

The Consumers' Counsel is an integral part of the Agricultural Adjustment Administration. Its primary duty is to safeguard the interests of unorganized and inarticulate people against exorbitant price increases, profiteering and the sale of deleterious or dishonestly packaged merchandise. In addition it is aiding in the task of educating the consuming public to purchase intelligently and obtain the maximum real value from its dollars.

The President has defined the fundamental purpose of the new deal program as follows: "The aim of this whole effort is to restore our rich domestic market by raising its vast consuming capacity. If we now inflate prices as fast and as far as we increase wages the whole project will be set at naught." It follows that the function of the consumers organizations in the Presidential program is the fundamental job of translating monetary gains of labor and the farmers into real income. It is only by increasing this real income, as General Johnson has stated, that industry can again obtain economic revival.

1. One of the fundamental tasks of the Consumers' Counsel is that of defending consumer interests in the marketing agreements and codes of fair competition now under the administration of the Agricultural Adjustment Administration. The consumers' representative participates in the formation of marketing agreements through informal conferences of the industry, at the public hearings and in Administrative conferences where a final decision as to modification, acceptance or rejection is reached.

The Consumers' Counsel has urged the incorporation in every code and agreement, where this is needed, of the provisions as to labels and standards set forth in the Administration's model form for codes of fair competition. In the interests of periodically checking on the economic results of each code and marketing agreement, the Consumers' Counsel has sought to insure that the Secretary of Agriculture should have access to the books and profit records of the industry.

The Consumers' Counsel has participated in the policy of holding public hearings for regional agreements in those regions affected. A large number of milk hearings were held throughout Oklahoma and the public milk hearings in Chicago, Boston and Philadelphia will be remembered. This procedure has the advantage of making it possible for the consumers to state their case at a local public hearing, without the expense of a trip to Washington. Through local hearings, the Administration has been able to obtain evidence as to the effects of proposed agreements on the communities immediately affected.

2. The Consumers' Counsel has attempted to maintain contact with the mass of citizens. It receives hundreds of complaints from farmers, small town and city consumers; charges of profiteering, of the sale of shoddy goods, etc. The large distributing interests have been called to answer charges of excessive increases in prices. The publicity brought to bear on profiteering in the bread industry was partially instrumental in causing a reduction in price in several parts of the country. The Consumers' Counsel initiated the first retail price reporting of certain cotton textiles and held an investigation into the effect of the processing tax on cotton. As a result the use of this tax as a justification for unfair price increases was discouraged.

3. In addition to the vast problem of keeping the prices of food products in line with the consumers' pay check, the Consumers' Counsel is undertaking the complex job of educating housewives in the art of intelligent purchasing. The work of Consumer Counsel representatives in insisting on adequate grading provisions is along this line. Where the old Food and Drug Act required that injurious substances be labelled on the package, the grading provisions now being incorporated into codes and marketing agreements are much wider in scope. They will prevent slack packaging and require that the manufacturer state the ingredients of his product in order of predominance by weight. Where Government standards exist efforts have been made to incorporate the use of these standards and the grading of commodities by Government officials as a mandatory section in each code and marketing agreement. The Consumers' Counsel is also working in close cooperation with the Bureau of Home Economics in preparing food budgets which cover essential needs and come within the limits of the housewife's pocketbook.

4. Probably the most important job of the Consumers' Counsel has been its educational activity. The Consumers' Guide appears bi-monthly and reaches 10,000 consumer groups, county agents, field workers, individuals and the press. It gives an up to date survey of farm and retail prices of important foods. It points out the extent to which various groups of distributors have used the processing tax as a cloak for profiteering. In addition it contains information on grades and standards and surveys the agricultural program as it affects consumers.

Dr. Howe's weekly radio addresses are broadcast over a nation-wide hook-up from Coast to Coast and are an instrument of consumer education which extends into millions of households.

5. The Consumers' Counsel has also made a beginning in certain other activities. It has cooperated with local consumer groups in research with a view of eliminating wasteful and insanitary handling of food. It has done a very necessary job in making effective the President's Order of June 16 in the preparation of codes and marketing agreements. This Order exempts the patronage dividends of cooperatives from the provisions in codes prohibiting rebates. In general, it is the policy of the Consumers' Counsel to encourage farmers' and consumers' cooperatives.

In the sphere wherein it operates, the Consumers' Counsel has played and is playing a vital role in organizing the millions of American consumers for the protection of their own interests. The recognition accorded to the consuming interest in the Agricultural Adjustment Administration is something new in our history and will, we hope, give American consumers unprecedented benefits.

